



FINANCIAL AID  
RM. A-104  
(212) 650 - 6656

ONLINE ENTRANCE COUNSELING PROCEDURES  
WILLIAM D. FORD FEDERAL DIRECT STUDENT LOAN

- All City College students must complete entrance counseling in order to obtain their first Federal Direct Student Loan at City College.
- A student may fulfill the "Entrance Counseling" requirement on the internet by following the procedures given below.
- Online counseling is generally recommended for students with previous Federal Direct Loans at another college and incoming students who live out of town.
- Regularly scheduled in-person group sessions are recommended for students with no previous Federal Direct Loans. A printed schedule of upcoming sessions is available.
- Ask for a copy of the "Direct Loan Filing Procedures".

ONLINE PROCEDURE:

1. **SIGN ON** to <http://www.dl.ed.gov>
2. **CLICK** on: "Entrance & Exit Counseling".
3. **CLICK** on: "Take the Entrance Counseling session".
3. **READ** the loan information page by page.
4. **TAKE THE QUIZ** (You must pass!) and click on "Proceed".
5. **PRINT** the "Borrowers Rights and Responsibilities" (BRR), statement.
6. **BRING** the signed and dated statement to the Financial Aid office.
7. **ASK** for 1) a Direct Loan Request Form, 2) the Entrance Counseling Guide
8. **COMPLETE** the loan request form and submit it with the BRR.

## IMPORTANT INFORMATION

- Every first-time borrower must complete a Master Promissory Note (MPN). After a loan request has been processed by the Financial Aid office students will receive MPN instructions from CUNY in the mail. Students may use their federal PIN to electronically "sign" their MPN via the Internet, or wait to receive a paper MPN in the mail.
- **Note:** Students with an approved Federal Direct Loan MPN already on file will not have to submit another one. One approved MPN will enable loans to be certified and "linked" to their MPN for up to ten (10) years at any college or university in the United States.
- A student borrower will also receive a "Statement of Disclosure" from the Department of Education in the mail. It will indicate the approved loan amounts and the anticipated dates of disbursement. A loan fee of 3% will be deducted from each disbursement. An interest rebate of 1.5% will be added back into each disbursement.
- Annual (academic year), loan limits are listed below and on the front of the City College loan request form and p.2 of the Entrance Counseling Guide.
- Interest rates: 7/1/05 - 6/30/06 = 4.70%  
7/1/06 - 6/30/07 = 6.8%
- The average total loan debt for City College Direct Loan borrowers is \$18,408.
- A student will always be certified for their subsidized loan maximum before being certified for an unsubsidized loan.
- Most loans will be paid in at least two disbursements.
- A student's loan may have to be reduced if additional financial aid is awarded after the loan has been processed. A loan may also be reduced or cancelled if a student drops below half-time or withdraws from school.
- A student must attach a photocopy of an ID (that shows their name and signature) to the paper MPN if his/her legal signature is illegible (cannot be read).
- Students who wish to use their Federal Direct student loan to pay their tuition bill must bring their bill to the Financial Aid Office. A loan can only be used to pay a student's bill after all other financial aid, (i.e. Pell, TAP, CUSTA and SEOG), has been applied.
- Please ask to speak with the Direct Loan Coordinator to answer any questions.

<u>Academic Year Maximums:</u>	<u>Subsidized/Unsubsidized</u>	<u>Additional Unsubsidized (Indep. only)</u>
<b>Undergraduate:</b> 1 <sup>st</sup> yr. (0-27 cr.)	\$2,625	\$4,000
2 <sup>nd</sup> yr. (28-60 cr.)	\$3,500	\$4,000
3 <sup>rd</sup> yr. or above (61+ cr.)	\$5,500	\$5,000
<b>Graduate:</b> (Automatically independent)	\$8,500	\$10,000